

The USDA will receive a total of \$28 billion from the Recovery Act. This money will go toward crucial investments in:



- Providing a \$19.7 billion increase in the monthly amount of nutrition assistance to 31.8 million people.
- Enabling expanded opportunities for broadband loans and grants to rural communities.
- Expanding funding opportunities to develop water and waste facilities.
- Providing funding to protect and conserve the nation's forests and farm land.

Additional details regarding the USDA's plans can be found by [clicking here](#) or by visiting www.usda.gov/recovery

USDA Programs Receiving Funding

Distance Learning, Telemedicine, and Broadband Program: \$2.5 billion

Description: "The Broadband Access Loan program provides loans for funding the costs of construction, improvement, and acquisition of facilities to provide broadband service to eligible rural communities. The Distance Learning and Telemedicine program continues its charge of bringing electronic educational resources to rural schools and improving health care delivery in rural America." (from [Rural Development Telecommunications Program](#)) 75 percent of the area to be served by these funds shall be in a rural area without sufficient access to high speed broadband service.

Type of funding: Competitive Grants and Loans

How to apply: Funds will be distributed by the Rural Utilities Service. Visit <http://www.usda.gov/rus/telecom/dlt/dlt.htm> to learn how to apply for funds.

Rural Water and Waste Disposal Direct Loan Program: \$412 million

Description: "To develop water and waste disposal (including solid waste disposal and storm drainage) systems in rural areas and towns with a population not in excess of 10,000. The funds are available to public entities such as municipalities, counties, special-purpose districts, Indian tribes, and corporations not operated for profit. RUS also guarantees water and waste disposal loans made by banks and other eligible lenders." (from [Water and Waste Programs](#))

Type of funding: Competitive Loans

How to apply: Funds will be distributed by the Water and Environmental Programs. Visit <http://www.usda.gov/rus/water/index.htm> to learn how to apply for funds.

Rural Water and Waste Disposal Grant Program: \$968 million

Description: "To reduce water and waste disposal costs to a reasonable level for rural users. Grants may be made for up to 75 percent of eligible project costs in some cases. The same types of applicants are eligible for grants as are for loans." (from [Water and Waste Programs](#))

Type of funding: Competitive Grants

How to apply: Funds will be distributed by the Water and Environmental Programs. Visit <http://www.usda.gov/rus/water/index.htm> to learn how to apply for funds.

Watershed and Flood Prevention Operations: \$290 million

Description: "This voluntary program provides assistance to sponsoring local organizations of authorized watershed projects, planned and approved under the authority of the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566), and designated watersheds authorized by the Flood Control Act of 1944 (P.L. 78-534). NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for the purpose of watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation and restoration. There are over 1,500 active or completed watershed projects." (from [NRCS: Implementing the American Recovery and Reinvestment Act of 2009](#))

Type of funding: Agency Plans

How to apply: Funds will be distributed by the Natural Resources Conservation Service. Visit <http://www.nrcs.usda.gov/programs/recovery/index.html> to learn more.

Watershed Rehabilitation Program: \$50 million

Description: "The authority for rehabilitation of aging watershed dams is included in section 14 of the Watershed Protection and Flood Prevention Act (PL 83-566). Any of the over 11,000 dams in 47 states that were constructed under the four watershed programs (PL-534, PL-566, Pilot, or RC&D) are eligible for assistance under this authority. Many of these dams are nearing the end of their 50-year design life. Rehabilitation of these dams is needed to address critical public health and safety issues in these communities. Priority for funding of projects is based on a priority ranking system that considers the condition of the dam and number of people at risk if the dam should fail. NRCS may provide technical assistance and 65% of the total rehabilitation project cost." (from [NRCS: Implementing the American Recovery and Reinvestment Act of 2009](#))

Type of funding: Agency Plans

How to apply: Funds will be distributed by the Natural Resources Conservation Service. Visit <http://www.nrcs.usda.gov/programs/recovery/index.html> to learn more.

Emergency Watershed Protection - Floodplain Easement: \$145 million

Description: "Section 382 of the Federal Agriculture Improvement and Reform Act of 1996, Public Law 104-127, amended the Emergency Watershed Protection Program (EWPP) to provide for the purchase of floodplain easements as an emergency measure. Since 1996, the Natural Resources Conservation Service (NRCS) has purchased floodplain easements on lands that qualify for EWPP assistance. Floodplain easements restore, protect, maintain, and enhance the functions of the floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion." (from [Emergency Watershed Protection - Floodplain Easement](#))

Type of funding: Competition

How to apply: Funds will be distributed by the Natural Resources Conservation Service. March 9 - March 27, 2009 is the sign-up period for the floodplain easement component of the Emergency Watershed Protection Program. Visit <http://www.nrcs.usda.gov/programs/ewp/Floodplain/index.html> to learn more.

WIC: \$400 million

Description: The WIC Program:

- "Provides nutritious supplemental foods, nutrition education, and health and social services referrals at no charge to low-income pregnant, postpartum, and breastfeeding women; and infants and children up to the age of 5 years.
- Provides participants in most States with monthly checks or vouchers to buy specific foods designed to supplement their diet with specific nutrients. A few State agencies distribute the WIC foods through warehouses or deliver the foods to participants' homes.
- Provides nutritious foods that include iron-fortified infant formula and infant cereal,

iron-fortified adult cereal, vitamin C-rich fruit or vegetable juice, eggs, milk, and cheese. Soy-based beverages, tofu, fruits and vegetables, baby foods, whole-wheat bread, and other whole-grain options were recently added." (from [Special Supplemental Nutrition Program for Women, Infants & Children \(WIC\)](#))

Type of funding: Agency Plans/Demand

How to apply: For more information on how to apply for WIC, visit <http://www.health.state.mn.us/divs/fh/wic/> or <http://www.fns.usda.gov/wic/howtoapply/default.htm>

Supplemental Nutrition Assistance Program: \$19 billion

Description: The Supplemental Nutrition Assistance Program (SNAP) "helps low-income people and families buy the food they need for good health. Benefits are provided on an electronic card that is used like an ATM card and accepted at most grocery stores. Through nutrition education partners, SNAP helps clients learn to make healthy eating and active lifestyle choices." This money will flow directly to states, and will be allocated based on the need level in the state.

Type of funding: Demand

How to apply: For more information on how to apply for SNAP in Minnesota, [click here](#).

The Emergency Food Assistance Program: \$150 million

Description: The Emergency Food Assistance Program (TEFAP) will receive \$100 million to purchase commodities for food banks to refill emptying shelves and \$50 million to assist with administrative functions. "Under TEFAP, commodity foods are made available by the U.S. Department of Agriculture to States. States provide the food to local agencies that they have selected, usually food banks, which in turn, distributes the food to soup kitchens and food pantries that directly serve the public. Each State sets criteria for determining what households are eligible to receive food for home consumption. Income standards may, at the State's discretion, be met through participation in other existing Federal, State, or local food, health, or welfare programs for which eligibility is based on income." (from [About TEFAP](#))

Type of funding: Formula

How to apply: For more information The Emergency Food Assistance Program visit <http://www.fns.usda.gov/fdd/programs/tefap>

National School Lunch Program: \$100 million

Description: "The National School Lunch Program (NSLP) is a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions. It provides nutritionally balanced, low-cost or free lunches to children each school day. The program was established under the National School Lunch Act, signed by President Harry Truman in 1946." (from [National School Lunch Program](#)) Funds will be allocated based on each State's school meals administrative expense allocation and local SFAs may then competitively apply for NSLP equipment assistance grants. As stipulated in the ARRA, priority will be given to SFAs for equipment for schools in which at least 50 percent of the students are eligible for free or reduced-priced meals.

Type of funding: Competitive Grants

How to apply: [Click here](#) for more information about funding guidelines.

Rural Community Facilities Loans Program: \$67 million

Description: The Housing and Community Facilities Programs makes direct loans to nonprofit and public entities for the construction of essential facilities. Most loans are made at below-market interest rates and are aimed at serving financially challenged rural areas. Allowed expenses include purchase of land needed for construction of the facility, necessary professional fees, and equipment and operating costs.

For more information about this program, click [here](#) .

Type of Funding: Competitive Loans

How to apply: Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program.

Rural Community Facilities Grants Program: \$63 million

Description: The Community Facilities Grant Program is typically used to fund projects under special initiatives, such as Native American community development efforts; child care centers linked with the Federal government's Welfare-to-Work initiative; Federally-designated Enterprise and Champion Communities, and the Northwest Economic Adjustment Initiative area.

In most cases, grantees are able to leverage Community Facility funds with private and state dollars to enable completion of more construction than might have otherwise been possible.

For more information about this program, click [here](#).

Type of funding: Competitive Grants

How to apply: Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program.

Section 502 Direct Single Family Housing Loan Program: \$67 million

Description: "Rural Housing Direct Loans are loans that are directly funded by the Government. These loans are available for low- and very low-income households to obtain homeownership. Applicants may obtain 100% financing to purchase an existing dwelling, purchase a site and construct a dwelling, or purchase newly constructed dwellings located in rural areas. Mortgage payments are based on the household's adjusted income. These loans are commonly referred to as Section 502 Direct Loans.

Purpose: Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

Eligibility: Applicants for direct loans from HCFP must have very low or low incomes. Very low income is defined as below 50 percent of the area median income (AMI); low income is between 50 and 80 percent of AMI; moderate income is 80 to 100 percent of AMI. Click [here](#) to review area income limits for this program. Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance, which are typically within 22 to 26 percent of an applicant's income. However, payment subsidy is available to applicants to enhance repayment ability. Applicants must be unable to obtain credit elsewhere, yet have reasonable credit histories. .

Terms: Loans are for up to 33 years (38 for those with incomes below 60 percent of AMI and who cannot afford 33-year terms). The term is 30 years for manufactured homes. The promissory note interest rate is set by HCFP based on the Government's cost of money. However, that interest rate is modified by payment assistance subsidy." (from [Rural Housing Direct Loans](#))

Type of funding: Competitive Grants

How to apply: These loans are approved by USDA Rural Development officials 30 days after submission. Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program.

Section 502 Guaranteed Single Family Housing Loan Program: \$133 million

Description: "Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

Eligibility: Applicants for loans may have an income of up to 115% of the median income for the area. Area income limits for this program are [here](#). Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance. In addition, applicants must have reasonable credit histories.

Approved lenders under the Single Family Housing Guaranteed Loan program include:

- Any State housing agency;
- Lenders approved by:
- HUD for submission of applications for Federal Housing Mortgage Insurance or as an

issuer of Ginnie Mae mortgage backed securities;

- the U.S. Veterans Administration as a qualified mortgagee;
- Fannie Mae for participation in family mortgage loans;
- Freddie Mac for participation in family mortgage loans;

- Any FCS (Farm Credit System) institution with direct lending authority;
- Any lender participating in other USDA Rural Development and/or Farm Service Agency guaranteed loan programs.

Terms: Loans are for 30 years. The promissory note interest rate is set by the lender.

There is no required down payment. The lender must also determine repayment feasibility, using ratios of repayment (gross) income to PITI and to total family debt." (from [Rural Housing Guaranteed Loan](#))

Type of funding: Competitive Loans

How to apply: These loans are approved by USDA Rural Development officials. Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program.

Rural Business and Industry Guaranteed Loans Program: \$130 million

Description: The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.

Type of funding: Competitive Loans

How to apply: Visit http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm for more information about this program. Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program.

Rural Business Enterprise Grants: \$20 million

Description: The RBEG program provides grants for rural projects that finance and facilitate development of small and emerging rural businesses help fund distance learning networks, and help fund employment related adult education programs. To assist with business development, RBEGs may fund a broad array of activities.

Type of funding: Competitive Grants

How to apply: Contact the [Cambridge Field Service Center](#) at 763-689-3354 for questions on eligibility for this program and for information on how to apply.